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Lowell W Gresham
Meschkow & Gresham PLC
Suite 409
5727 North Seventh Street
Phoenix, AZ 85014

EXAMINER	
COLBERT, ELLA	

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3624	

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Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/613,679	Applicant(s) BARRY, GERARD J.	
	Examiner Ella Colbert	Art Unit 3624	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *11 July 2000*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-30* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-30* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date 3.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

1. Claims 1-30 are pending.

2. The Priority papers filed 11/14/02 have been entered as paper no. 3.

Claim Rejections - 35 USC § 101

3. Claims 1-9 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof". Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See In re Musgrave, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural

phenomena", and "abstract ideas". See Diamond v. Diehr, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See State Street Bank & Trust Co. v. Signature Financial Group, Inc. 149 F. 3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed.Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI0. See In re Toma, 197 USPQ (BNA) 852 (CCPA 1978). In Toma, the court held that the cited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to Gottschalk v. Benson, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter ... is statutory, not on whether the product of the claimed subject matter ... is statutory, not on whether the prior art which the claimed subject matter purports to replace ... is statutory, and not whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. In re Toma at 857.

In Toma, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the

"technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in State Street Bank & Trust Co. v. Signature Financial Group, Inc. never addressed this prong of the test. In State Street Bank & Trust Co., the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result." See State Street Bank & Trust Co. at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under 101, but rather under 102, 103 and 112." See State Street Bank & Trust Co. at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, State Street abolished the Freeman-Walter-Abele test used in Toma. However, State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in Toma because the invention in State Street (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the Toma test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a

101 rejection finding the claimed invention to be non-statutory. See Ex parte Bowman, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, claims 1-9 have no connection to the technological arts. None of the steps indicate any connection to a computer or technology. The steps of obtaining the card number, identifying an issuer code, determining the operating currency, and setting the currency could be performed manually by a person. Therefore, the claims are directed towards non-statutory subject matter. To overcome this rejection the Examiner recommends that Applicant amend the claims to better clarify which of the steps are performed by a computer or a server.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 4, 13, and 26 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 4, line 24 recites "... by the cardholder and/or presenting an", Claim 13, line 5 recites "... review by the cardholder and/or means", and Claim 26, line 10 recites "... review by the cardholder and/or presenting an exchange rate to the". It is unclear whether Applicant means in Claim 4 "... by the cardholder and presenting an" or "... by the cardholder or presenting an", Claim 13, "... review by the cardholder and means" or "... review by the cardholder or means", and Claim 26, "... review by the cardholder and presenting an exchange rate to the" or "... review by the cardholder or presenting an

exchange rate to the". Clarification and correction in the claim limitations are respectfully requested.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

7. Claims 1-3 are rejected under 35 U.S.C. 102(b) as being anticipated by (WO 95/121169) Lavine et al, hereafter Lavine.

With respect to claim 1, Lavine teaches, A method for determining a preferred currency for association with a payment card transaction, the payment card having a card number, between a merchant and a payment card cardholder comprising the steps of; obtaining the card number of the payment card from the cardholder (page 1, lines 11-16), identifying an issuer code from said card number (page 3, lines 12-27), determining the operating currency for said issuer code (page 5, lines 23-29), and setting the currency for association with the payment card transaction as the determined operating currency for the issuer code (page 5, lines 30-38).

With respect to claim 2, Lavine teaches, A method according to claim 1, wherein said step of determining the operating currency for said issuer code comprises the step of comparing said issuer identifier code with entries in a table wherein each entry in the table containing an issuer code or range of issuer codes and a corresponding currency code (page 7, lines 14-33 and page 9, lines 19-23).

With respect to claim 3, Lavine teaches, A method according to claim 1, wherein the preferred currency is set to default currency of the merchant when no operating currency can be determined for the issuer code (page 9, lines 24-32).

8. Claims 4-9 are rejected under 35 U.S.C. 103(a) as being unpatentable over (WO 95/12169) Levine et al, hereafter Levine in view of (EP 0251619) Boston.

With respect to claim 4, Lavine failed to teach, wherein the cardholder is prompted as to whether the transaction is to be conducted in the preferred currency, including the steps of converting the transaction amounts to equivalent amounts in the preferred currency and presenting these amounts for review by the cardholder and/or presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency. Boston teaches, wherein the cardholder is prompted as to whether the transaction is to be conducted in the preferred currency, including the steps of converting the transaction amounts to equivalent amounts in the preferred currency and presenting these amounts for review by the cardholder and/or presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency (page 5, paragraphs 3 & 4). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have wherein the cardholder is prompted as to whether the transaction is to be conducted in the preferred currency, including the steps of converting the transaction amounts to equivalent amounts in the preferred currency and presenting these amounts for review by the

cardholder and/or presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency and to modify in Levine because such a modification would allow Levine to have the transaction amount expressed in the foreign currency using the associated conversion rate.

With respect to claim 5, Levine failed to teach, wherein at least one of the transaction amounts is converted to an equivalent amount in the preferred currency and is presented to the cardholder. Boston teaches, wherein at least one of the transaction amounts is converted to an equivalent amount in the preferred currency and is presented to the cardholder (page 5, paragraph 4 and page 6, paragraphs 1 and 2 (display screen). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have wherein at least one of the transaction amounts is converted to an equivalent amount in the preferred currency and is presented to the cardholder and to modify in Levine because such a modification would allow Levine to have the transaction amount expressed in a foreign currency and entered through the data entry means and compared to the converted transaction limit to determine if the transaction should be approved. Page 6, paragraphs 1 and 2 teach a display.

With respect to claim 6, Levine failed to teach, further comprising the step of presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency. Boston teaches, further comprising the step of presenting an exchange rate to the cardholder, said

exchange rate corresponding to a rate between the merchants' currency and the preferred currency (page 5, paragraph 4 and page 11, paragraphs 2 and 3). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have the step of presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency and to modify in Levine because such a modification would allow Levine to have the issuer to be supplied with the cardholder's name, account number, and the countries to which the cardholder will be traveling and then the issuer will generate a conversion rate.

With respect to claim 7, Levine failed to teach, wherein the transaction details in the merchants currency are also presented to the cardholder. Boston teaches, wherein the transaction details in the merchant's currency are also presented to the cardholder (page 11, paragraph 2). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have the transaction details in the merchants currency are also presented to the cardholder and to modify in Levine because such a modification would allow Levine to have a favorable rate which is unlikely to be reached in a given time period.

With respect to claim 8, Levine failed to teach, further comprising the step of initially checking to determine if the transaction amount exceeds a predetermined minimum level for processing in an alternative currency to that of the merchants currency. Boston teaches, further comprising the step of initially checking to determine if the transaction amount exceeds a predetermined minimum level for processing in an

alternative currency to that of the merchants currency (page 11, paragraphs 3 and 4 and page 12, paragraphs 1-3). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have the step of initially checking to determine if the transaction amount exceeds a predetermined minimum level for processing in an alternative currency to that of the merchants currency and to modify in Levine because such a modification would allow Levine to have a conversion rate that does not have to be exact since it is not being used to reconcile a transaction and the rate is not used as the basis to transfer funds from the cardholder to the merchant.

With respect to claim 9, Levine teaches, wherein said method is a data processing method (page 3, lines 12-27- steps are data processing steps).

Claim Rejections - 35 USC § 102

9. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

10. Claims 10-12 are rejected under 35 U.S.C. 102(b) as being anticipated by (WO 95/12169) Levine et al, hereafter Levine.

With respect to claim 10, Levine teaches, A data processing system (a data processing system) for determining a preferred currency for association with a payment card transaction, the payment card having a card number, between a merchant and a payment card cardholder, said means comprising; means for obtaining the card number

of the payment card from the cardholder (page 1, lines 11-16), means for identifying an issuer code from said card number (page 3, lines 12-27), means for determining the operating currency for said issuer code (page 5, lines 23-29); and means for setting the currency for association with the payment card transaction as the determined operating currency for the issuer code (page 5, lines 30-38).

With respect to claim 11,. Levine teaches, A data processing system according to claim 10, wherein said means for determining the operating currency for said issuer code comprises means for comparing said issuer identifier code with entries in a table (page 7, lines 14-33), wherein each entry in the table contains an issuer code or range of issuer codes and a corresponding currency code (page 9, lines 19-23).

With respect to claim 12, Levine teaches, A data processing system according to claim 10, further comprising means for setting the preferred currency to the default currency of the merchant when no operating currency can be determined for the issuer code (page 9, lines 24-32).

11. Claims 13-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over (WO 95/12169) Levine et al, hereafter Levine in view of (EP 0251619) Boston.

With respect to claim 13, Lavine failed to teach, further comprising prompting means for prompting the cardholder as to whether the transaction is to be conducted in the preferred currency, said prompting means optionally comprising conversion means for converting the transaction amounts to equivalent amounts in the preferred currency and presenting these amounts for review by the cardholder and/or means for presenting

an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency. Boston teaches, further comprising prompting means for prompting the cardholder as to whether the transaction is to be conducted in the preferred currency (page 7, lines 14-33), said prompting means optionally comprising conversion means for converting the transaction amounts to equivalent amounts in the preferred currency and presenting these amounts for review by the cardholder and/or means for presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency (page 9, lines 19-23). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have a prompting means for prompting cardholder as to whether the transaction is to be conducted in the preferred currency, said prompting mean optionally comprising conversion means for converting the transaction amounts to equivalent amounts in the preferred currency and presenting these amounts for review by the cardholder and/or presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency and to modify in Levine because such a modification would allow Levine to have the transaction amount expressed in the foreign currency using the associated conversion rate.

With respect to claim 14, Lavine teaches, further comprising means for to accepting an indication from the cardholder as to whether the transaction is to proceed in the preferred currency and means for permitting the transaction to be processed in

the preferred currency if such an indication is received (page 7, lines 11-21 and lines 22-33).

With respect to claim 15, Lavine failed to teach, further comprising conversion means for converting at least one of the transaction amounts to an equivalent amount in the preferred currency and presenting this converted amount to the cardholder, optionally comprising means for presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency. Boston teaches, further comprising conversion means for converting at least one of the transaction amounts to an equivalent amount in the preferred currency and presenting this converted amount to the cardholder, optionally comprising means for presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency (page 5, paragraphs 3 and 4). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have a conversion means for converting at least one of the transaction amounts to an equivalent amount in the preferred currency and presenting this converted amount to the cardholder, optionally comprising means for presenting an exchange rate to the cardholder, said exchange rate corresponding to a rate between the merchants' currency and the preferred currency and to modify in Levine because such a modification would allow Levine to have the issuer to be supplied with the cardholder's name, account number, and the countries to which the cardholder will be traveling and then the issuer will generate a conversion rate.

With respect to claim 16, Lavine failed to teach, further comprising means for initially checking to determine if the transaction amount exceeds a predetermined minimum level for processing in an alternative currency to that of the merchants currency. Boston teaches, further comprising means for initially checking to determine if the transaction amount exceeds a predetermined minimum level for processing in an alternative currency to that of the merchants currency (page 11, paragraphs 3 and 4 and page 12, paragraphs 1-3). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have a means for initially checking to determine if the transaction amount exceeds a predetermined minimum level for processing in an alternative currency to that of the merchants currency and to modify in Levine because such a modification would allow Levine to have a conversion rate that does not have to be exact since it is not being used to reconcile a transaction and the rate is not used as the basis to transfer funds from the cardholder to the merchant.

With respect to claim 17, Lavine teaches, wherein said data processing system is embodied in a payment card terminal (page 9, lines 24-37, page 10, lines 30-37, and page 11, lines 1-12).

With respect to claim 18, Lavine teaches, wherein said data processing system is embodied in a central payment router (Fig. 3, element 43, element 50, and element 51).

With respect to claim 19, Lavine teaches, wherein said data processing system is embodied in an authorisation host, optionally in co-operation with another system.(page 8, lines 16-35).

With respect to claim 20, Levine teaches, wherein said other system is a payment card terminal or central payment router (Fig. 3 (central payment router link 43, network 51, and ATM 50).

With respect to claim 21, Lavine teaches, further comprising means for connecting to a node in a computer network (page 8, lines 16-19).

With respect to claim 22, Lavine teaches, wherein the card number is received via the computer network (page 4, lines 11-18).

Claim Rejections - 35 USC § 102

12. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

13. Claims 23-25 are rejected under 35 U.S.C. 102(b) as being anticipated by (WO 95/121169) Levine et al, hereafter Levine.

With respect to claim 23, Levine failed to teach, A computer program encoding a set of computer instructions for use in a computing device. It would have been inherent to the computer system to have a computer program encoding a set of computer instructions for use in a computing device since a computer program is a set of instruction for telling a computer what to do and the encoding is merely a means of producing a unique combination of bits (a code) in response to an analog input signal.

This independent claim is rejected for the similar rationale given above for claims 1 and 10.

With respect to claim 24, this dependent claim is rejected for the similar rationale as given above for claims 2 and 11.

With respect to claim 25, this dependent claim is rejected for the similar rationale as given above for claims 3 and 12.

14. Claims 26-30 are rejected under 35 U.S.C. 103(a) as being unpatentable over (WO 95/12169) Levine et al, hereafter Levine in view of (EP 0251619) Boston.

With respect to claim 26, this dependent claim is rejected for the similar rationale as given above for claims 4 and 13. A computer program encoding a set of computer instructions for use in a computing device has been addressed above in independent claim 23.

With respect to claim 27, this dependent claim is rejected for the similar rationale given above for claim 5.

With respect to claim 28, this dependent claim is rejected for the similar rationale given above for claims 6 and 15.

With respect to claim 29, this dependent claim is rejected for the similar rationale given above for claim 7.

With respect to claim 30, this dependent claim is rejected for the similar rationale given above for claim 8.

Conclusion

15. The prior art made of record and not relied upon is considered pertinent to Applicant's disclosure.

Konya (US 5,937,396) disclosed a transaction card associated with an account and a currency.

Jones et al (US 5,778,067) disclosed a foreign currency and converting to a different currency on request with the conversion being effected by the appropriate rate (col. 6, lines 64-66).

Inquiries

16. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ella Colbert whose telephone number is 703-308-7064. The examiner can normally be reached on Monday-Thursday from 6:30 am -5:00 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1038. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

E. Colbert
March 15, 2004